

MONTANA LEGISLATIVE HISTORY

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Chapter 536 19 93

Bill H 687 S _____ Original bill & history C

H. Committee on Taxation

Hearing Date(s) Mar 24 ✓ C

Mar 26 ✓ C

_____ C

_____ C

Date Out Mar 26 ✓ C

S. Committee on Taxation

Hearing Date(s) Apr 02 ✓ C

Apr 08 ✓ C

_____ C

_____ C

Apr 08 ✓ C

Did this bill originate in an interim committee? Yes No

Committee _____

Report _____

HB 686 INTRODUCED BY DRISCOLL, ET AL.
EXPAND WORKERS' COMPENSATION PAYROLL TAX BASE
BY REQUEST OF HOUSE SELECT COMMITTEE ON WORKERS'
COMPENSATION

3/18 INTRODUCED
3/18 REFERRED TO WORKERS' COMPENSATION
SELECT COMMITTEE
3/18 FIRST READING
3/18 FISCAL NOTE REQUESTED
3/19 HEARING
3/22 FISCAL NOTE RECEIVED
3/22 FISCAL NOTE PRINTED
3/26 MISSED TRANSMITTAL DEADLINE

HB 687 INTRODUCED BY ELLIOTT, ET AL.
ALLOCATE PERCENTAGE OF COAL TAX TO DEPARTMENT OF FISH,
WILDLIFE, AND PARKS FOR CERTAIN STATE PARK USE; PROVIDE
APPROPRIATION

3/19 INTRODUCED
3/19 REFERRED TO TAXATION
3/19 FIRST READING
3/19 FISCAL NOTE REQUESTED
3/23 FISCAL NOTE RECEIVED
3/23 FISCAL NOTE PRINTED
3/24 HEARING
3/26 COMMITTEE REPORT—BILL PASSED
3/29 2ND READING DO PASS MOTION FAILED 49 49
3/29 RECONSIDERED PREVIOUS ACTION 64 36
3/29 ON MOTION RULES SUSPENDED TO ALLOW
2ND AND 3RD READING OF BILL
ON 71ST LEGISLATIVE DAY
3/30 2ND READING PASSED 65 34
3/30 3RD READING PASSED 66 33

TRANSMITTED TO SENATE
4/01 FIRST READING
4/01 REFERRED TO TAXATION
4/07 HEARING
4/08 COMMITTEE REPORT—BILL CONCURRED AS AMENDED
4/12 2ND READING CONCURRED 36 13
4/13 3RD READING CONCURRED 35 14

RETURNED TO HOUSE WITH AMENDMENTS
4/15 2ND READING AMENDMENTS CONCURRED 84 15
4/16 3RD READING AMENDMENTS CONCURRED 69 30
4/21 SIGNED BY PRESIDENT
4/21 SIGNED BY SPEAKER
4/22 TRANSMITTED TO GOVERNOR
4/24 SIGNED BY GOVERNOR
CHAPTER NUMBER 536
EFFECTIVE DATE: 07/01/93

HB 688 INTRODUCED BY GRINDE, ET AL.
PROVIDE THAT EXTENDED DEPTH AUGER METHOD OF MINING COAL IS
DISTINCT MINING METHOD FOR TAXATION PURPOSES

3/19 INTRODUCED
3/19 REFERRED TO TAXATION
3/19 FIRST READING
3/19 FISCAL NOTE REQUESTED
3/23 FISCAL NOTE RECEIVED

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0687, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act temporarily allocating a percentage of coal severance tax interest to a special revenue account for use by the Department of Fish, Wildlife, and Parks for the stabilization and preservation of historic and cultural sites within the state park system; providing an appropriation; and providing an effective date and a termination date.

ASSUMPTIONS:

1. Coal severance tax collections are \$40,396,000 in FY94 and \$40,286,000 in FY95 (ROC).

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Coal Severance Tax	\$40,396,000	\$40,396,000	\$0	\$40,286,000	\$40,286,000	\$0
Permanent trust	20,198,000	20,198,000	0	20,143,000	20,143,000	0
Highway trust	4,848,000	4,848,000	0	4,834,000	4,834,000	0
Local impact account	2,686,000	2,686,000	0	2,679,000	2,679,000	0
School equalization	4,605,000	4,605,000	0	4,593,000	4,593,000	0
County land planning	154,000	154,000	0	153,000	153,000	0
Renewable resources fund	192,000	192,000	0	191,000	191,000	0
State parks trust	512,000	0	(512,000)	510,000	0	(510,000)
Parks historic preservation	0	512,000	512,000	0	510,000	510,000
State library	154,000	154,000	0	153,000	153,000	0
Conservation districts	77,000	77,000	0	77,000	77,000	0
Water development	192,000	192,000	0	191,000	191,000	0
MT Growth through AG	307,000	307,000	0	306,000	306,000	0
Art/Capitol preservation	256,000	256,000	0	255,000	255,000	0
<u>General Fund</u>	<u>6,215,000</u>	<u>6,215,000</u>	<u>0</u>	<u>6,201,000</u>	<u>6,201,000</u>	<u>0</u>
Total	\$40,396,000	\$40,396,000	\$0	\$40,286,000	\$40,286,000	\$0

The temporary diversion from the state parks trust would decrease interest earnings by \$15,000 in FY94 and \$50,000 in FY95.

TECHNICAL NOTE:

The title of the bill indicates the proposed legislation allocates coal severance tax interest, when in reality the bill allocates coal severance tax collections.

David Lewis 3-23-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Jim Elliott 3-23-93
JIM ELLIOTT, PRIMARY SPONSOR DATE

Fiscal Note for HB0687, as introduced

HB 687

Closing by Sponsor:

REP. GRINDE said he thinks this is a win/win situation if the Legislature will lower the rate to make it feasible for this type of mining to operate in the state. There are no environmental problems, and more employment and tax revenue for the state.

HEARING ON HOUSE BILL 687Opening Statement by Sponsor:

REP. JIM ELLIOTT, HD 51, Trout Creek, said HB 687 temporarily allocates a percentage of the coal severance tax interest to a special revenue account for use by the Department of Fish, Wildlife and Parks for the stabilization and preservation of historic and cultural sites within the state park system. The funds that are currently going into the Parks Trust are diverted to funding the stabilization and preservation of the sites. This was done in 1991 because there were no other funds available and HB 687 simply extends the process for an additional two years. He reviewed the projects currently being funded and those that will be funded by HB 687. EXHIBITS 2 and 3 He said there would be a loss of interest to the Parks Trust of \$65,000 over the biennium.

Proponents' Testimony:

SEN. SWYSGOOD, Madison and Gallatin Counties, said Bannock is in his area and he has worked with the people who are restoring and maintaining that area. There is significant tourist interest in the area and the funding should be continued. It is in the best interests of the state and the people of Montana to maintain these parks and develop them so that they are protected and enhanced.

Pat Graham, Department of Fish, Wildlife, and Parks, presented his testimony in support of the bill. EXHIBITS 2, 3, and 4

Keith Colbo, Montana Tourism Coalition, said the decision to divert the interest in 1991 was a wise and appropriate decision. The proposed two year extension is equally appropriate and necessary.

Marilyn Wessel, Montana State University, Museum of the Rockies, presented a letter in support of the bill from Arthur Wolf, Director of the Museum of the Rockies. EXHIBIT 5

Spencer Hegstad, County Commissioner, Beaverhead County, said the first territorial capital, Bannack, is a major tourism attraction. It is slowly deteriorating and is in need of stabilization to prevent any further loss of buildings. Emergency work has been started the past two years, but there are

40 other buildings in desperate need of repair. This is not a new tax and does not affect any other programs. He asked the Committee to support the bill and help preserve Bannack State Park.

Matthew Cohn, Tourism Division, Department of Commerce, said he fully supports the bill and the previous testimony.

John Barrows, Publisher and Editor of the Dillon Tribune, and Secretary of the Bannack Association, said his group was gratified with the money that was made available in the past biennium for beginning the stabilization of the buildings in Bannack. He said it is extremely important that the work continue for the next two years. This bill will help them keep the history and heritage of Montana alive.

Ken Hoovestall, Montana Snowmobile Association, spoke in support of the Ulm Pishkun site in Great Falls. He said they need the support and help the bill provides.

Cindy Kittridge, Cascade County Historical Society, President, Museum Association of Montana, expressed support for the bill and of the Ulm Pishkun site. She said it is a major archaeological site and is the largest buffalo kill site in Montana, if not in the United States. They are hoping to establish a cultural visitor center at the site as tourism has increased dramatically. She said it is well known that tourists will stay a day and night longer in places with museums or historical sites. She said the state has a moral and civic responsibility to preserve cultural and historical sites.

Karen Fagg, Governor's Office, expressed support for the bill. She said there is no new tax involved and no other agencies or projects are affected by the bill. The state needs to extend its preservation activities for special historical and cultural sites. She noted investment rates of some of the trust funds are at an all time low. Diversion of some of the funds would result in much less lost interest than those preservation costs which are increasing daily.

Janet Ellis, Montana Audubon Legislative Fund, expressed reluctant support for the bill. She said her organization is uncomfortable with the Trust Fund diversion but supports parks and cultural resource preservation.

Opponents' Testimony: There were no opponents.

Questions From Committee Members and Responses:

REP. BOHLINGER asked if there is any other source of funding that can be used for cultural preservation.

REP. ELLIOTT said the only portion of the Fish, Wildlife, and Parks that is supported by general fund money is the Parks Division. This is a last ditch attempt to fund the parks preservation as there is no other source for the money. He said he is a reluctant sponsor because he does not like to take money out of the trust.

REP. ANDERSON asked if the funds impact the general fund at all.

REP. ELLIOTT said the interest diversion has nothing to do with the general fund. It comes from the coal tax and goes to the Parks Trust. If the bill does not pass, the interest will simply continue to be deposited to the Parks Trust and no money will be available for the preservation activities. He reviewed EXHIBIT 4 with the Committee which defines the coal tax distribution.

REP. RANEY asked if any of the money could be spent to utilize the Youth Conservation or Montana Conservation Corps for help at the park sites.

Mr. Graham said most of the projects are capital construction projects and he didn't know how much expertise the Conservation Corp could bring to the projects. He said nothing in the bill would preclude using any source of available labor and expertise.

REP. RANEY asked if it would be necessary to put a request for use of the Corps into statute or if he could rely on the Parks Department to explore that utilization.

Mr. Graham said he felt the legislative intent had been established in this discussion and they would proceed accordingly.

REP. FOSTER said it appears there are projects that would not be funded if this bill were to pass. He asked Mr. Graham to explain the potential impact.

Mr. Graham said there is a \$250,000 shortfall in the Parks Division right now. If HB 642 passes, 6.5% of the bed tax will go into the operation of the Parks Division which would help cure the shortfall. This bill would help reduce the deficit by \$15,000 the first year of the biennium and \$50,000 the second year.

REP. FOSTER asked if it would take \$2 million to fix up Bannack.

Mr. Graham replied it would take \$2 million to do everything that is needed. They have prioritized 40 structures and buildings that need work. It is a very time consuming project and would not improve the buildings, only stabilize them in their current state.

REP. RANEY asked if there is a difference between parks operation and parks maintenance.

Mr. Graham said they are the same thing except for the capital construction portion.

CHAIRMAN GILBERT asked Mr. Graham to bring back to the Committee a listing of what would not be funded if this bill passes. He asked Mr. Graham to base that list only on this bill and not on the passage of failure of any other bill.

Closing by Sponsor:

REP. ELLIOTT said we are continually unwilling to pay for the preservation of our historic heritage. He said the books say if you forget history, you are condemned to relive it. If we neglect our historical sites, we will have to rebuild them. Every nation and every culture seeks out its own history and cultural sites and recreates them. Because our history is so young in Montana, we can save a great deal of money and effort by maintaining our cultural sites.

ADJOURNMENT

Adjournment: The meeting adjourned at 11:15 a.m.



BOB GILBERT, CHAIRMAN



JILL ROHYANS, Secretary

BG/jdr

HOUSE OF REPRESENTATIVES

TAXATION

COMMITTEE

ROLL CALL

DATE

3/24/93

NAME	PRESENT	ABSENT	EXCUSED
REP. GILBERT, CHAIRMAN	✓		
REP. FOSTER	✓		
REP. HARRINGTON	✓		
REP. ANDERSON	✓		
REP. BOHLINGER	✓		
REP. DOLEZAL	✓		
REP. DRISCOLL	✓		
REP. ELLIOTT	✓		
REP. FELAND	✓		
REP. HANSON	✓		
REP. HARPER	✓		
REP. HIBBARD	✓		
REP. KELLER	✓		
REP. McCAFFREE	✓		
REP. MCCARTHY	✓		
REP. NELSON	✓		
REP. ORR	✓		
REP. PANEY	✓		
REP. REAM	✓		
REP. TUNBY	✓		

HB 687
March 24, 1993

EXHIBIT 2
DATE 3/24/93
HB HB 687

Testimony presented by Pat Graham, Dept. of Fish, Wildlife & Parks
before the House Taxation Committee

Historic preservation is defined as the movement to retain physical evidence of the past. It is inspired by a realization of the complex interaction among the past, present and future. These physical remains help us to understand how we became what we are and enhance our understanding of events and persons significant to our development. The preservation of historic and cultural resources enhances the very quality of our lives.

HB 687 makes a significant contribution to preserving a portion of Montana's past, embodied in the Montana State Park system. Of 42 state parks, 18 are significant historic or cultural sites, some of which have national and international importance.

These resources are irreplaceable. If unprotected, vandalized, or allowed to continue to deteriorate, many of these rare jewels will disappear, and part of Montana's history will be lost forever, unavailable to the next generation.

HB 687 continues for two more years, the cap on the parks portion of the coal trust. The cap was initiated in 1991 with HB 1008 which allowed improvement and preservation actions to occur at several sites throughout the state. Interest earnings which pay for park operations would remain static, but over \$1 million would be available to preserve resources and make a few more needed

improvements at places like: Bannack State Park near Dillon, our first territorial capital; Makoshika State Park near Glendive, site of a recent dinosaur discovery; Ulm Pishkun near Great Falls, location of one of the largest buffalo jumps in the world; and Pictograph Cave State Park near Billings where erosion threatens the pictographs and other associated Native American cultural sites. Work at Bannack, Makoshika and Ulm Pishkun is contained in HB 5, but is currently unfunded.

HB 687 is not a new tax and would not impact any other entity currently receiving coal trust dollars. Although we would forego approximately \$65,000 in interest earnings each year into the future, approximately \$1 million would be available for immediate improvements to historic and cultural sites. No other viable funding alternatives appear to be available this session.

In addition to the need to preserve our rich history, tourism and interest in these sites is becoming more important to Montana's economy. In recent surveys by the Tourism Research Institute at the University of Montana, visiting historic sites is consistently in the top two or three activities most sought by nonresident visitors.

If these sites are properly protected they can become the basis for local economic development, especially in rural Montana.

We urge your support of HB 687.

EXHIBIT 3
DATE 3/24/93
HB 687

HB687

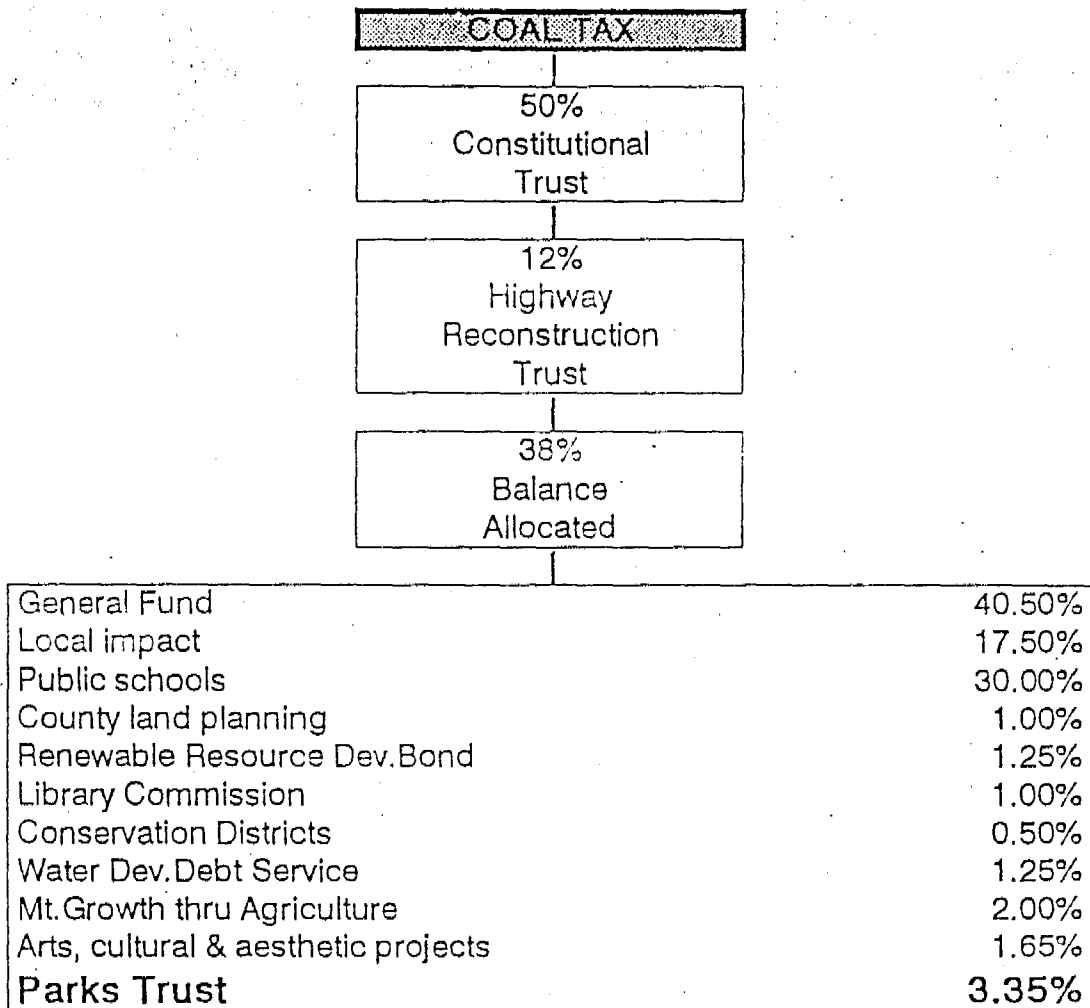
*Use of Funds from Parks Coal Tax
FY94/95
The Protection of Historical and Cultural State Park Features.*

PROJECTS	Amount of HB687 Coal Tax	Project Total
<u>MAKOSHIKA</u> -- Glendive This project preserves paleontological resources, provides for their display and interpretation, provides improved visitor use opportunities, disabled access and archaeological resource protection.	195,000	1,500,000
<u>BANNACK</u> -- Dillon This project continues the stabilization work identified through the historic structure analysis process funded by the 1991 Legislature, removes incompatible uses from historic buildings, upgrades the fire protection system, improves the visitor center and adds disabled access within historic preservation guidelines.	582,000	2,000,000
<u>ULM PISHKUN</u> -- Great Falls This project completes a master site plan and construction documents to protect and interpret the area's archaeological and natural resources.	200,000	200,000
<u>PICTOGRAPH CAVE</u> -- Billings This project addresses the erosion which is threatening the pictographs.	65,000	65,000
Total	1,042,000	3,765,000

COAL TAX DISTRIBUTION

MCA 15-35-108

EXHIBIT 4
DATE 3/24/93
HB 687



*Proposal to extend to
June 30, 1995*

FY	\$ Available	Interest Lost	Net Increase
1992	\$521,000	\$15,135	\$505,865
1993	\$521,000	\$50,172	\$470,828
TOTALS	\$1,042,000	\$65,307	\$976,693

(Current annual interest to Parks operations would level off at \$1,143,295 per year.)

EXHIBIT 5
DATE 3/24/93
HB 687



March 24, 1993

MUSEUM OF THE ROCKIES

Representative Bob Gilbert
Chairman
House Taxation Committee
Montana Legislature
Capitol Complex
Helena, Montana

Dear Chairman Gilbert:

I am writing today as a proponent of HB 687, which would temporarily allocate a percentage of coal severance tax interest to a special revenue account for use by the Department of Fish, Wildlife, and Parks for the stabilization and preservation of historical and cultural sites within the State Park system. The Museum of the Rockies fully supports the efforts of the State Park System to protect, preserve and interpret the historical and cultural resources on its lands for the education and enjoyment of all Montanans and for the enhanced services to the tourism industry that the renovated Parks will provide.

We are particularly supportive of the proposed use of these funds for preservation, display and interpretation of paleontological resources at the Makoshika State Park near Glendive, where we have cooperated in recent years with State Parks on important excavations and interpretation of dinosaur sites.

Given the specific purposes, limits on funding and effective dates, and overall positive impact for the price, we urge your committee to recommend that this bill be passed.

Sincerely,

Arthur H. Wolf
Director



HOUSE OF REPRESENTATIVES
VISITOR REGISTER

688

HOUSE TAXATION

COMMITTEE

BILL NO.

687

DATE 3/24/93

SPONSOR(S) GRINDE

ELLIOTT

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
SPENCER HEWITT - DILLON	BANKHEAD COUNTY COMMISSIONER	✓	
JOHN BARROWS DILLON	BANNACK ASSOCIATION	✓	
Annie Olsen	FWP	✓	
Cheryl Kittredge	Coos County Historical Society		
Keith L. Colbo	Tourism Coalition	HB 687	
Pat Graham	DFWP	HB 687	
Ken Hovestol	MT Snowmobile Assn. + Self	687 ✓	
Marilyn Wessel	MSU	687	
Jane Hammer	Budget Office	687	
Jim Mockler	MT Coal Council	HB 688	
Gary Willis	Western Energy	H.B. 688	
Reas Madsen	Coal Development Org	HB 688	
Janet Ellis	MT Audubon Leg. Fund	HB 687	HB 688
Matthew Ginn	MT Dept of Commerce	V 687	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

REP. HARPER said that if this is a temporary statute, the information could be presented to Revenue Oversight and a case made for extending the dates.

REP. FOSTER said even if the company already has the machines, they will still have to move them here, hire people, do site surveys, and other preparatory work. They will not be interested if they can get cut off at the knees in two years.

Vote: The motion to amend failed on a tie roll call vote.

Discussion: Discussion reverted to the original Do Pass motion.

REP. HARPER said if a man comes in asks the legislature to lift a sunset provision, he will not be turned down. He said he was just trying to slow down the important decision process regarding tax policy.

CHAIRMAN GILBERT said this is a late bill, but no later than several other important bills before the Committee. In order for the bill to proceed through the process, a decision has to be made today. He said if this were the last day of session, he would vote to kill the bill, but there is time enough left to make the important decisions on this bill.

Vote: HB 688 DO PASS motion carried on a roll call vote.

EXECUTIVE ACTION ON HOUSE BILL 687

Motion: REP. ELLIOTT MOVED HB 687 DO PASS.

Discussion:

REP. ELLIOTT said the bill continues the diversion of coal tax funds into the parks preservation fund. Makoshika Park, Bannack, Ulm Pishkun, and the Pictograph Cave will receive funding for preservation and maintenance. The bill extends funding for the projects from the last biennium.

CHAIRMAN GILBERT asked what would not be funded if the bill were not to pass.

Arnie Olson, Fish, Wildlife, and Parks, said if no other parks funding bill passes, such as HB 2 and HB 5, this bill would be the only means of maintaining the four sites. There would be no capital improvements, only maintenance.

CHAIRMAN GILBERT asked Mr. Olson to clarify what coal trust monies are being utilized for the parks funding.

Mr. Olson said a portion of the coal trust interest funds the parks trust. This bill simply diverts a payment to the parks trust into funding the four historic preservation projects for the coming biennium.

Vote: HB 687 DO PASS motion carried on a roll call vote.

ADJOURNMENT

Adjournment: The meeting adjourned at 11:00 a.m.



BOB GILBERT, CHAIRMAN



JILL ROHYANS, Secretary

BG/jdr

HOUSE OF REPRESENTATIVES

TAXATION

COMMITTEE

ROLL CALL

DATE

3/26/93

NAME	PRESENT	ABSENT	EXCUSED
REP. GILBERT, CHAIRMAN	✓		
REP. FOSTER	✓		
REP. HARRINGTON	✓		
REP. ANDERSON	✓		
REP. BOHLINGER	✓		
REP. DOLEZAL	✓		
REP. DRISCOLL	✓		
REP. ELLIOTT	✓		
REP. FELAND	✓		
REP. HANSON	✓		
REP. HARPER	✓		
REP. HIBBARD	✓		
REP. KELLER	✓		
REP. McCAFFREE	✓		
REP. MCCARTHY	✓		
REP. NELSON	✓		
REP. ORR	✓		
REP. PANEV	✓		
REP. REAM	✓		
REP. TUNBY	✓		

HOUSE STANDING COMMITTEE REPORT

March 26, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Taxation report that House Bill 687 (first reading copy -- white) do pass.

Signed: Bob Gilbert
Bob Gilbert, Chair

Committee Vote:
Yes 1, No 3.

681301SC.Hpf

HOUSE OF REPRESENTATIVES

TAXATION

COMMITTEE

ROLL CALL VOTE

DATE 3/26/93 BILL NO. HB 687 NUMBER MOTION: by Rep. Elliott that HB 687 Do Pass

NAME	AYE	NO
REP. FOSTER	✓	
REP. HARRINGTON	✓	
REP. ANDERSON	✓	
REP. BOHLINGER	✓	
REP. DOLEZAL	✓	
REP. DRISCOLL	✓	
REP. ELLIOTT	✓	
REP. FELAND	✓	
REP. HANSON		✓
REP. HARPER	✓	
REP. HIBBARD		
REP. KELLER	✓	
REP. McCAFFREE	✓	
REP. MCCARTHY	✓	
REP. NELSON	✓	
REP. ORR	✓	
REP. RANEY		✓
REP. REAM	✓	
REP. TUNBY	✓	
REP. GILBERT		✓

MINUTES

**MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By Chairman Mike Halligan, on April 7, 1993, at
8:00 a.m.

ROLL CALL

Members Present:

Sen. Mike Halligan, Chair (D)
Sen. Dorothy Eck, Vice Chair (D)
Sen. Bob Brown (R)
Sen. Steve Doherty (D)
Sen. Delwyn Gage (R)
Sen. Lorents Grosfield (R)
Sen. John Harp (R)
Sen. Spook Stang (D)
Sen. Tom Towe (D)
Sen. Fred Van Valkenburg (D)
Sen. Bill Yellowtail (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Council
Bonnie Stark, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 680, HB 687
Executive Action: None.

HEARING ON HB 687

Opening Statement by Sponsor:

Rep. Jim Elliott, House District 51, presented HB 687, a bill to allocate the percentage of Coal Tax to Fish, Wildlife and Parks for certain state park use. This bill will help the preservation stabilization projects at four historic state parks. Those parks are Makoshika State Park near Glendive, Ulm Pishkun near Great Falls, Bannack State Park near Dillon, and Pictograph Cave State Park near Billings. HB 687 is basically a last-ditch effort to find the dollars to do this important preservation work. It is an extension of last legislative session's HB 1008,

and divert coal tax revenue from the Parks Trust to fund the improvement projects. HB 687 will extend the sunset on HB 1008 for two years until June 30, 1995.

Proponents' Testimony:

Pat Graham, Department of Fish, Wildlife & Parks (FWP), appeared in support of HB 687, and presented his written testimony, and information on this bill, as Exhibits No. 1 and 2, respectively, to these minutes.

Keith Colbo, representing the Montana Tourism Coalition (MTC), endorsed HB 687. Mr. Colbo said they would like to see this legislative session use these funds to preserve these areas for all Montanans.

Rep. John Johnson, House District 23, spoke in favor of HB 687 and, in particular, his relationship with the Makoshika State Park, which is Montana's largest state park. Rep. Johnson said this park is also a designation park that has geological significance; the University of Milwaukee has been studying the area for three years and has located and catalogued the area for the fossil remains of dinosaurs. A full triceratops skeleton was recently unearthed and is now being completed and repaired by the Museum of the Rockies and will be on display in an interpretive center, which will be built shortly, at the entrance to Makoshika State Park. This park also has paleontological significance. Recently a Paleo Indian settlement was discovered at the edge of the park with a possible connection to similar settlements inside the Park. This is of interest to the British Columbian findings and other findings in the southwest United States, which have been connected with the same band of Indians of some 12,000-14,000 years ago. Rep. Johnson feels it is imperative that these important aspects of the park be perpetuated and protected, and he urges support of HB 687.

Stan Meyer, a member of the Ulm Pishkun support committee for the past four years and a recent appointment to the FWP Commission, spoke on behalf of the entire park system, as well as on behalf of Ulm Pishkun area. Mr. Meyer said it is important that to preserve these sites is simply the right, moral and ethical thing to do. Economically, the development and interpretation of these sites can enhance our tourism industry in the state. In Great Falls, they are using the development of Ulm Pishkun to better understand the Native American communities. There is an active committee of members of both cultures to study and learn about each other and try to use the preservation of Ulm Pishkun as a way to bridge these two cultures. Mr. Meyer said they are not just coming to ask for coal trust funds; they are also putting some of their own dollars on the line. In each of the four areas that will benefit from HB 687, local communities have actively raised funds and devoted thousands of hours of volunteer time to save these sites. He urged the Committee's approval of HB 687.

Rep. Bill Tash, House District 73, rose in support of HB 687 for parks preservatons. Bannack has significant heritage in state government as well as in Rep. Tash's family history. The buildings in Bannack were built approximately 130 years ago, and while they have stood very well, they are in need of attention to prevent further deterioration. He strongly supports this bill.

Dale Tash, a former park manager at Bannack State Park, and a former member of the Coal Board, urged support of HB 687. The last three years has seen a turn around in the FWP, and the attention they have been giving Bannack State Park has been outstanding. Mr. Tash urges passage of HB 687.

John Barrows, Publisher and Editor of the Dillon Tribune, who is also secretary of the Bannack Association, appeared in favor of HB 687. Mr. Barrows said the Bannack Association is a group of private citizen volunteers who have joined with the FWP in developing an organization to help raise money and provide volunteer services to Bannack State Park. The work that has been done to date, and the work planned in the immediate future, has been a great help in preserving the structures. The money to be provided in HB 687 will continue these efforts.

Tim Hoovestol, representing the Montana Snowmobile Association, said his organization has had a good long-running, working partnership with FWP. They are well aware of the needs of the FWP and over the years have observed the deterioration of the parks. Mr. Hoovestol strongly urged concurrence in HB 687.

Brian Cockhill, Director of the Montana Historical Society, appeared in support of HB 687. Mr. Cockhill said the Society's mission, obviously, is to observe the culture and resources of the state. He strongly supports this bill.

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

Senator Towe said there aren't many things he would support stronger than preservation of historic and cultural sites in the state. However, he is concerned about HB 687 taking money from the Park Trust Fund for this bill. He asked Pat Graham what the status of the Park Trust Fund is and how can the Fund afford to have this money taken out when the Fund is designed for the protection of all parks in the state. Mr. Graham responded that this is a reluctant move to bring this bill forward in this session and extend the sunset another two years. He said they are receptive to any alternative funding for these historical

cultural sites and their preservation. Several bills were introduced this session, but none of which could have met this need, and none of which are alive today.

Senator Towe asked how much money is in the Trust Fund and if the income from that Fund is used primarily for maintenance and upkeep of the state parks. He understands one-third of the Fund goes to cultural activities and two-thirds goes to the FWP. Mr. Graham said there is \$12 million in the Fund, and the two-thirds that goes to the FWP is used primarily for the operation and maintenance of state parks.

Senator Towe asked if there is adequate funding for the operation and maintenance of state parks. Mr. Graham said HB 642 will take a portion of the current bed tax and provide that to FWP operations, but none will go to the preservation or capital work on park sites as HB 687 will do. Mr. Graham is optimistic since HB 642 has made it through the House and will be heading to the Senate floor for an opportunity for the Senate to support the operation and maintenance of FWP. There currently is a deficit in operation and maintenance of state parks, which HB 642 will address. State Parks are hurting on both ends, operation and maintenance, and capital. The problem with delaying repairs and upkeep on cultural historic sites is not only an increase in the repair costs, but more important, the deteriorating process is continuing and needs to be stopped.

Senator Gage asked if the FWP could provide a summary of how much FWP has spent in the last six years, the past three bienniums, on purchases of land for access sites and park sites, etc., and what is being spent for maintenance. Mr. Graham said they have not spent anything on purchase of state parks during that time and they have no intention of purchasing any state parks. They do not have money available to maintain and keep up the 42 state parks they have, so they will not be purchasing any more.

Senator Eck said she supports what the FWP is doing here, but she thinks it is also important to look at the long-range preservation. She was disappointed when the ISTEAs money came out and there was a special allocation for projects such as this, but they turned it all over to local governments. She thinks there could be an opportunity for various entities in state government to work together and decide on a plan for the use of that money for the length of time that money is still available. Historic preservation is one of the reasons that money is available, and the FWP would have to work with the Department of Transportation (DOT) in order to get that done. Mr. Graham said they did present a proposal to the previous Highway Commission and it was rejected. They will renew their efforts in that regard.

Closing by Sponsor:

Rep. Elliott pointed out that the park portion of the FWP is the only portion of that Department that is funded with General Fund dollars. All other portions are funded by sportsmen's dollars. HB 687 will protect our cultural heritage, and ecological heritage, in Montana. He said a nation that loses its heritage will not get that heritage back in any easy way. If the State of Montana doesn't want to fund state parks, or fund historic preservation, then the State of Montana should learn a lesson in history.

HEARING ON HB 680Opening Statement by Sponsor:

Rep. Bob Ream, House District 54, presented HB 680, which is a bill to change low interest energy loans from a tax credit to a rate base. Rep. Ream said he has some concerns about the tax expenditures that are returned to taxpayers in the form of exemptions, deductions, and other kinds of tax breaks. In another House bill, he has introduced a study resolution that will direct the Revenue Oversight Committee to look at all tax expenditures over the next two years. HB 680 will pull out one small tax expenditure. Rep. Ream said there has been a very successful program in Montana of making low-interest or no-interest loans for energy conservation improvements. The state has allowed the difference in interest between the low-interest loans and larger-rate interest loans to be deducted from the taxes of the energy companies that run those programs, and probably Montana Power Company (MPC) would be the major company. HB 680 will not do away with the program, but instead of having it be a tax expenditure, it would rate base the program. Rep. Ream thinks this is good tax policy, and good energy policy, because the consumers of the energy are paying for the program rather than all of the taxpayers of Montana. He thinks this will provide an incentive for consumers to conserve energy. Rep. Ream said many energy companies around the country have done this voluntarily because they realize it is a good investment in future energy resources. At the House Taxation Committee hearing, MPC testified to this bill with mild opposition because they are currently working on several measures that affect consumers, and they wanted more time to do so. At that time a delayed effective date was put on HB 680 to start two years from now, in order to give MPC time to work with the Public Service Commission (PSC) in getting ready to implement this. There will be no fiscal impact this biennium, but is expected to bring in approximately 3/4 million dollars in revenue in the next biennium.

Proponents' Testimony:

None.

ROLL CALL

SENATE COMMITTEE TAXATION

DATE 4-7-93

[illegible]

HB 687
April 7, 1993

Testimony presented by Pat Graham, Dept. of Fish, Wildlife & Parks
before the Senate Taxation Committee

Historic preservation is defined as the movement to retain physical evidence of the past. It is inspired by a realization of the complex interaction among the past, present and future. These physical remains help us to understand how we became what we are and enhance our understanding of events and persons significant to our development.

HB 687 makes a significant contribution to preserving a portion of Montana's past, embodied in the Montana State Park system. Of 42 state parks, 18 are significant historic or cultural sites, some of which have national and international importance.

These resources are irreplaceable. If unprotected, vandalized, or allowed to continue to deteriorate, many will disappear, and part of Montana's history will be lost forever, unavailable to the next generation.

HB 687 continues the cap on the parks portion of the coal trust for two more years. The cap was initiated in 1991 with HB 1008 which allowed improvement and preservation actions to occur at several sites throughout the state. Interest earnings that pay for park operations would remain static, but over \$1 million would be available to preserve resources and make a few more needed

improvements at places like: Bannack State Park near Dillon, our first territorial capital; Makoshika State Park near Glendive, site of a recent dinosaur discovery; Ulm Pishkun near Great Falls, location of one of the largest buffalo jumps in the world; and Pictograph Cave State Park near Billings where erosion threatens the pictographs and other associated Native American cultural sites. Work at Bannack, Makoshika and Ulm Pishkun is contained in HB 5, but is currently unfunded.

HB 687 is not a new tax and would not impact any other entity currently receiving coal trust dollars. Although we would forego approximately \$65,000 in interest earnings each year into the future, approximately \$1 million would be available for immediate improvements to historic and cultural sites. No other viable funding alternatives appear to be available this session.

In addition to the need to preserve our rich history, tourism and interest in these sites is becoming more important to Montana's economy. In recent surveys by the Tourism Research Institute at the University of Montana, visiting historic sites is consistently in the top two or three activities most sought by nonresident visitors.

If these sites are properly protected they can become the basis for local economic development, especially in rural Montana.

We urge your support of HB 687.

**Montana Department
of
Fish, Wildlife & Parks**



MEMORANDUM

DATE: April 6, 1993

TO: Senate Taxation Committee

FROM: Pat Graham *Pat*

SUBJECT: HB 687

SENATE TAXATION

EXHIBIT NO. 2

DATE 4-7-93

BILL NO. HB 687

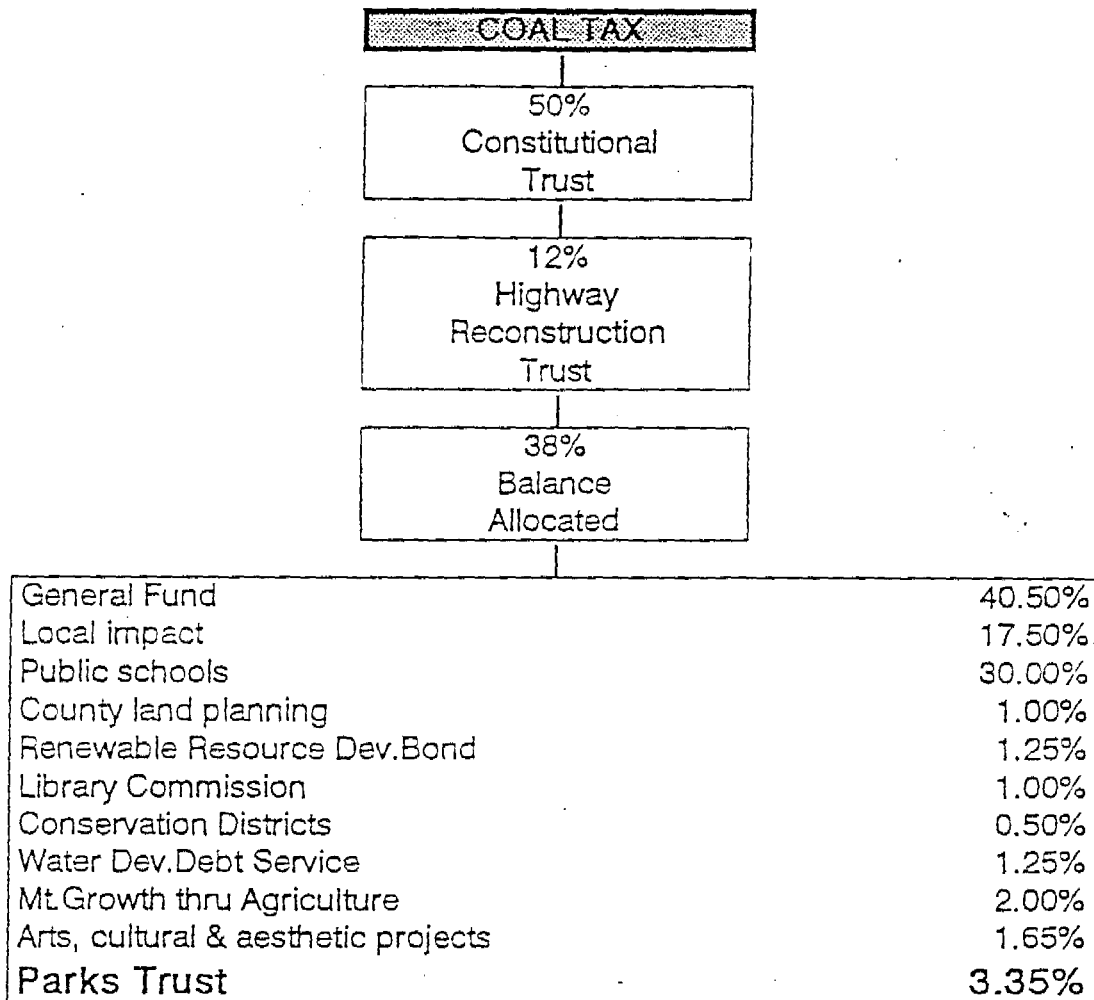
We are providing the following information to support HB 687:

- 1) A handout explaining the coal tax distribution and a briefing paper explaining HB 687.
- 2) A handout explaining what the funds would be used for in the next biennium if HB 687 passes.
- 3) Two handouts explaining what the funds were used for last biennium with a similar bill (HB 1008).
- 4) A detailed spreadsheet on the unfunded portion of the parks operations budget in HB 2 (that is what additional cuts would be made without new revenue). On the bottom portion of this spreadsheet we added what additionally would not be funded (i.e. the \$65,000 in interest lost) if HB 687 passes. If HB 642 passes (the Raney bed tax bill) all of these efforts would be funded.
- 5) Two handouts which breakdown the coal trust interest that currently funds a portion of parks operations.

We hope these answer all of your questions. Please don't hesitate to contact us if you need any additional information.

OAL TAX DISTRIBUTION

CA 15-35-108



*Proposal to extend to
June 30, 1995*

FY	\$ Available	Interest Lost	Net Increase
1994	\$521,000	\$15,135	\$505,865
1995	\$521,000	\$50,172	\$470,828
TOTALS	\$1,042,000	\$65,307	\$976,693

(Current annual interest to Parks operations would level off at \$1,143,295 per year.

Montana State Parks Coal Tax Proposal

What is this proposal?

This proposal is to "cap" the portion of the statutory coal trust currently allocated to State Parks (3.35%) and use the net revenue gained by the strategy to aid in rehabilitation of the park system. The current interest earnings directed to Parks operations would level off at current levels.

Related facts

- This is not a new tax.
- This would not impact any other entity currently receiving coal trust dollars.
- These funds are not presently committed to any other program.
- All other allocated funds in the statutory portion of the coal trust are handled this way.
- The "parks trust" is the only portion of the statutory portion of the coal trust operated as a trust with only interest directed to the program.
- Legislation drafted to implement this concept would require a split of the "parks trust" currently shared with the Montana Arts Council (1/3 Arts Council; 2/3 State Parks). The Arts Council portion (1.65%) would then continue as a trust with no impact to their revenue.

Justification

The State Park System is in a seriously degraded condition. There are inadequate dollars available for operations, maintenance, development, and capital improvements. The State Park Futures Committee, was appointed in 1989 to address the funding problems and solicit public input related to solutions, they concluded that \$6 million per year is needed to restore the park system to a healthy condition over the next several years. This proposal would provide a portion of this need.

This concept is particularly appropriate when historically cultural sites are considered. These resources are irreplaceable. If unprotected or vandalized, as in the current situation, these resources will disappear and part of our history will forever be lost, unavailable, for the enjoyment of our children and grandchildren. The trust concept, as now administered, does not allow the best stewardship of these resources. The future is now!

Net Revenue Generated

Annual amounts based on current statutes, would be approximately one-half million dollars per year. The attached flow chart provides the details of the proposal.

HB687
Use of Funds from Parks Coal Tax
FY94/95
The Protection of Historical and Cultural State Park Features.

PROJECTS	Amount of HB687 Coal Tax	Project Total	Amount Still Unfunded w/HB687
<u>MAKOSHIKA</u> ® -- Glendive This project preserves paleontological resources, provides for their display and interpretation, provides improved visitor use opportunities, disabled access and archaeological resource protection.	195,000	1,500,000	521,000
<u>BANNACK</u> ® -- Dillon This project continues the stabilization work identified through the historic structure analysis process funded by the 1991 Legislature, removes incompatible uses from historic buildings, upgrades the fire protection system, improves the visitor center and adds disabled access within historic preservation guidelines.	582,000	2,000,000	1,250,000
<u>ULM PISHKUN</u> -- Great Falls This project completes a master site plan and construction documents to protect and interpret the area's archaeological and natural resources.	200,000	200,000	-0-
<u>PICTOGRAPH CAVE</u> -- Billings This project addresses the erosion which is threatening the pictographs.	65,000	65,000	-0-
Total	1,042,000	3,765,000	1,771,000

® Makoshika State Park - This park also has \$100,000 Real Property Land Trust, \$164,000 Parks Earned Revenue, and \$320,000 Federal Land and Water Conservation Funds applied to the total (HB5).

® Bannack State Park - This park has \$168,000 of existing highway funds applied to the total (HB5).

1992
HISTORIC PRESERVATION ACTION
IN
MONTANA STATE PARKS

Fresh emphasis was given to Montana's historic and cultural parks when the 1991 Legislature enacted HB1008 authorizing the Parks Division of the Montana Department of Fish, Wildlife and Parks (MDFWP) to utilize Coal Severance Taxes for preserving and protecting these treasures.

As the result of this action, these priceless places received much needed attention in the form of research, planning and analyses. Actual stabilization work will commence in 1993.

Most of these parks have a committed and dedicated public following and private funds, volunteer efforts and contributions were maximized with HB1008 providing the financial impetus.

The following is a summary of preservation work initiated in Montana State Parks in 1992:

BANNACK STATE PARK

- Draft management plan prepared
- Historic structure analysis report on 10 priority buildings
- Historic research report
- Field assessment study
- Draft master site plan prepared
- Local support group contributed volunteer labor and funding to match state funds for construction of a boardwalk which provides disabled access in an aesthetically pleasing manner.

The above reports are preliminary to stabilization work to be initiated in 1993.

CHIEF PLENTY COUPS STATE PARK

- Historic structure analysis report on Chief's home
- Leaking roof of museum repaired
- Heat/air conditioning in museum upgraded
- Artifacts photo-documented
- Museum operations reviewed with aid from Montana State Historical Society museum staff

Stabilization work on the Chief's home will be initiated in 1993 based on the prioritized listing of needs identified in the structural analysis report.

GRANITE

- Historic structure analysis report prepared on the two buildings owned by MDFWP: The Miners Union Hall and the Superintendent's House

The above work is preliminary to stabilization work to be initiated in 1993.

ELKHORN

- Historic structure analysis report prepared on the two buildings owned by MDFWP: Fraternity and Gillian Halls

The above work is preliminary to stabilization work to be initiated in 1993.

ROSEBUD BATTLEFIELD STATE PARK

- Historic structure analysis report prepared on the Kobold homestead house.

The above work is preliminary to stabilization work to be initiated in 1993.

ULM PISHKUN STATE PARK

- Adjacent private land was often vandalized by trespassing "pot hunters" and uninformed, insensitive sight seers. This land was secured when purchased by a public minded, archaeologically interested party.
- The local historical society entered into a temporary easement with the new private owner to allow the archaeological research by the Montana State University (MSU) and MDFWP.
- Local support contributed volunteer labor, funding and materials along with state matching funds for a contract with MSU for archaeological research.

Plans are underway for another research project with reporting documents in the spring of 1993.

FORT OWEN STATE PARK

- Historic structure analysis report prepared on the east barracks.

The above work is preliminary to stabilization work to be initiated in 1993.

GIANT SPRINGS STATE PARK

- Designs have been completed for repairs to the springs historic retaining wall and for replacing a concrete block restroom with a disabled access facility in a more suitable location.

The above work is preliminary to stabilization work to be initiated in 1993.

EXHIBIT 2
DATE 4-7-93
X HB-687

MAKOSHIKA STATE PARK

- New visitor center designs complete.
- Triceratops skull removed and shipped to the Montana Museum of the Rockies for preservation. This work was funded in part with local community matching funds.

PICTOGRAPH CAVE STATE PARK

- Archaeological and cave conservatory work accomplished.

The above work identified additional critical needs for the protection of this resource.

LEWIS & CLARK CAVERNS STATE PARK

- A fire protection need and building use study was performed on the CCC built visitor center.

The above work is preliminary to increasing fire protection of the building and to making the facility accessible by our disabled visitors. This work will be initiated in 1993.

HB - 1008

03/15/93

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		HB 1008
Project Description	Location	Cost Tax
Bannack Stabilization	Dillon	\$480,000
Chief Plenty Coups	Billings	\$142,000
Historic Structure Stabilization:		\$130,000
Elkhorn, \$60,000	Helena	
Granite, \$20,000	Phillipsburg	
Rosebud Battlefield, \$50,000	Colstrip/Billings	
Ulm Piskun site protection/archaeological study	Great Falls	\$55,000
Fort Owen Stabilization	Missoula/Hamilton	\$60,000
Glenn Springs -- bridge/retaining wall relocate restroom, paving	Great Falls	\$50,000
Makoshika fossil preservation	Glendive	\$20,000
Makoshika Visitor Center	Glendive	\$17,500
Pictograph site protection/interpretation	Billings	\$60,000
Caverns -- VC fire protection, HC accessibility	Three Forks/Whitehall	\$70,000
Anaconda Stack safety lighting	Anaconda	\$20,000
Salmon/Placid Improvements	Missoula/Seeley Lake	\$28,000
Smith River Improvements	White Sulphur Springs	\$5,000
Statewide signing	Statewide	\$17,500
Historic site master planning		\$50,000
Bannack	Dillon	
Rosebud Battlefield	Billings	
Chief Plenty Coups	Miles City	
Contingency, engineering	Statewide	\$16,000
TOTAL		\$1,221,000

5 PARKS BUDGET MOD.

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04/29 PM

NOTE: #1 priority = first to be cut

FY94 Target = \$294,083
FY95 Target = \$203,459

Page 1 of 2

Project #	Region	Project Name	Action	Position #	FTE	FY94 Pers.Serv. Savings	Total Pers.Serv. Savings	Total Operations Cut	Total Equipment Cut	Total Project Cut	Cumulative Total
5181	1	Accot-a-Park program	Drop program					550		550	550
5243	2	PAINTED ROCKS	Cut seasonals	26201	0.02	347	2,945	500		3,445	4,095
			Reduce operations	26202	0.07	1,085					
				26216	0.05	1,150					
				26225	0.02	348					
5545	5	DEADMAN'S BASIN LEASE MGMT.	Cut budget. Manage within 6544 or Parks Administration project (5501)					1,000		1,000	5,095
6721	7	MEDICINE ROCKS & PIROGUE	Cut seasonals; handle with permanent staff.	26701	0.02	356	2,923	2,000		4,923	10,018
			Reduce all services except weed control.	26702	0.13	2,254					
				26705	0.02	390					
Enf	Hin	PARKS ENFORCEMENT	Reduce funding--includes ex-officio training cut to every other year.					45,000		45,000	55,018
5102	1	Parks Admin. (license \$'s excluded)	Cut regions' small tools budget statewide						1,298	1,298	56,316
5201	2								511	511	57,127
5301	3								1,000	1,000	58,127
6401	4								1,956	1,956	60,083
5501	5								1,035	1,035	61,118
6701	7								558	558	61,776
6501	8								532	532	62,408
5881	Hin	SCORP (note: a reduction in state \$'s reduces fed'l \$'s the same amount)	Limit publication and distribution					300		300	63,208
5884								1,000		1,000	64,208
5101	1	Reservation Service (license \$'s excluded)	Eliminate service	25114	0.20	8,251	8,252			3,252	72,460
5231	2	ANACONDA STACK COUNCIL GROVE, GRANITE	Cut seasonals. Cover with permanent staff.	26201	0.02	347	1,525	500		2,125	74,585
			Reduce operations; close well--no testing;	26204	0.02	348					
			Cut O&M except to retain some Stack lighting utilities and travel for permanent staff.	26216	0.04	932					
5231	3	BEAVERHEAD ROCK, PARKER HOMESTEAD	Cut O&M					250		250	74,835
5421	4	SLUICE BOXES	Cut seasonals	26402	0.02	952	2,182	2,778		4,960	79,795
			Reduce O&M to FY92 level	26403	0.02	958					
				26424	0.01	222					
6742	7	HELLCREEK	Cut seasonals. Turn over management to BLM through management agreement. Eliminate operations.	26701	0.04	737	7,507	7,569		15,466	95,292
				26703	0.40	6,570					
				26705	0.04	601					
6946	8	CANYON FERRY	Reduce two aggregate seasonal positions:	96403	0.25	7,160	11,059	67,314		78,373	173,565
			Turn over management to BLM through management agreement starting Oct. 1, 1993. Reduce operations.	96405	0.15	3,899					
5831	Hin	STATEWIDE HISTORIC/CULTURAL PROGRAM	Reduce historic preservation training					1,200		1,200	174,565
5851	Hin	STATEWIDE TRAILS PROGRAM	Reduce statewide trails administration					500		500	175,165
5816	Hin	PARK RANGER PROGRAM (license \$'s excluded)	Eliminate support					1,000		1,000	176,165
5816	Hin	PARK PROMOTION (license \$'s excluded)	Eliminate park promotion efforts					4,000		4,000	180,165
5121	1	THOMPSON FALLS	Cut seasonal position. Reduce operations.	25109	0.27	4,578	4,678	1,125		5,303	185,568
5232	2	FORT OWEN	Cut seasonals; retain .04 in 26208	26201	0.02	347	2,520	300		2,920	188,588
			Reduce operations; provide occasional monitoring.	26208	0.05	875					
				26216	0.06	1,398					
5281	3	EAST GALLATIN	Reduce payment to county.					500		500	189,388
5521	5	GREYCLIFF POT/NATURAL BRIDGE	Close Prairie Dog Town, benign neglect policy for Natural Bridge; eliminate seasonal and O&M	26507	0.08	1,387	1,387	1,387		3,274	192,662

94-95 PARKS BUDGET MOD.

PARKS BUDGET 94-95 MOD IN CRE. WK1

VOLUME 5 PAGE 2 PM

NOTE: #1 priority = first to be cut

FY94 Target = \$294,083

FY95 Target = \$303,459

Page 2 of 2

Project #	Region	Project Name	Action	Position #	FTE	Pers. Serv. Savings	Total Pers. Serv. Savings	Total Operations Cut	Total Equipment Cut	Total Project Cut	Cumulative Total
4	6122	1	WILD HORSE ISLAND	Cut seasonal	25101	0.20	3,905	3,905	2,100	6,005	198,567
			Reduce operations								
4	6144	1	LAKE MARY RONAN	Cut seasonal. Cover from Big Arm. Cut operations.	25116	0.21	3,671	3,671	1,125	4,796	203,463
4	6221	2	LOST CREEK	Reduce seasonals.	26201	0.02	347	1,906	500	2,406	205,869
			Reduce operations.	26205	0.09	1,559					
4	6333	3	MT. HAGGIN REC. & CULTURAL	Cut all O&M				2,895		2,895	208,764
4	6442	4	ACKLEY LAKE	Cut all seasonals except caretaker (25421)	25402	0.05	2,350	5,812		5,812	214,576
			at .17 FTE	26403	0.05	2,496					
				25408	0.05	936					
4	6544	5	DEADMAN'S BASIN	Reduce operations.				1,000		1,000	215,576
			Eliminate one Maintenance Worker III position	16106	1.00	26,240	26,240			26,240	241,316
5946	8	Consolidate management	Eliminate Park Operations Subv.I position	16425	1.00	31,788	31,788			31,788	273,704
6829	Stwd	'94 equip. reduced	Reduced ability to purchase equipment						25,750	25,750	299,454
6829	Stwd	'95 equip. reduced	Reduced ability to purchase equipment						34,500	34,500	308,307
	Stwd	OBPP '94 Pers.Serv.Adj.	OBPP reduced Parks Default				(5,371)			(5,371)	294,083
	Stwd	OBPP '95 Pers.Serv.Adj.	OBPP reduced Parks Default				(5,348)			(5,348)	303,459
94 CUTS					4.99	\$119,001	\$113,630	\$147,313	\$33,140	\$294,083	
95 CUTS						\$119,504	\$114,156	\$147,313	\$41,990	\$303,459	

With HB687, and no new revenue, services cut in operations per year

FY94

\$15,135

\$65,307 interest lost/biennium

FY95

\$50,172

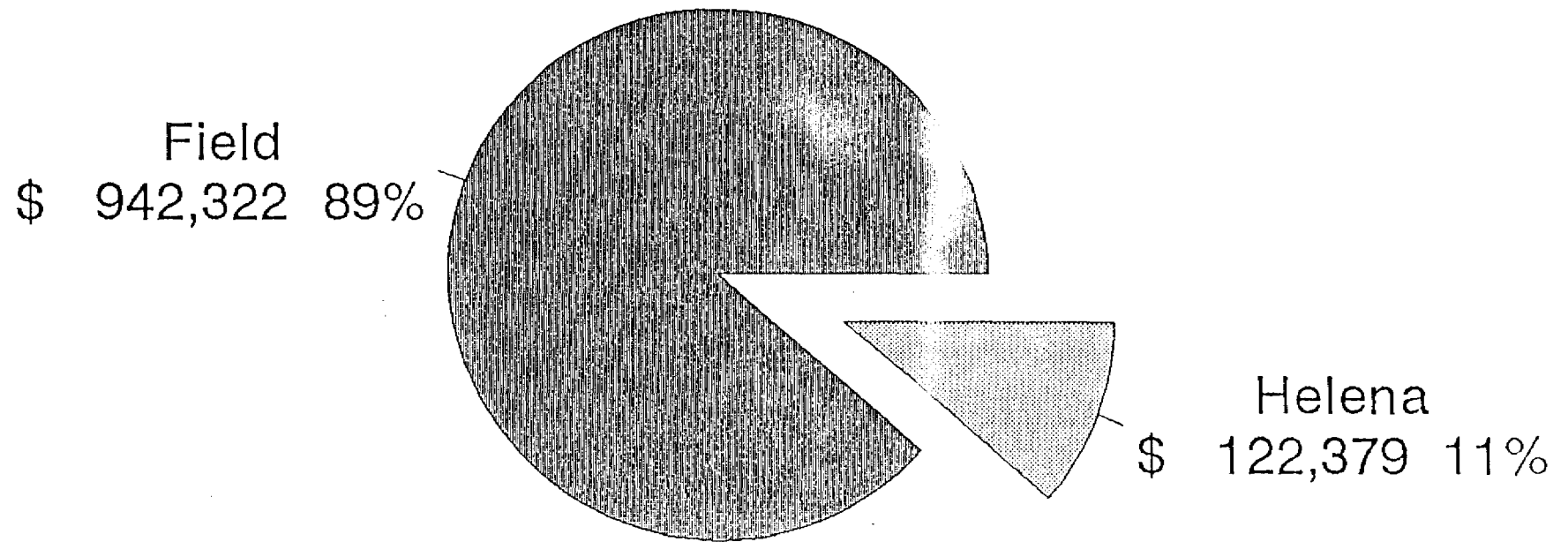
\$32,554 interest lost/per year

Total

\$65,307

Project #	Region	Project Name	Action	Position #	FTE	Pers. Serv. Savings	Total Pers. Serv. Savings	Total Operations Cut	Total Equipment Cut	Total Project Cut	Cumulative Total
4	6731	7	ROSEBUD BATTLEFIELD & HOMESTEAD CENTENNIAL ACRE	Eliminate any service to Homestead Centennial Acre; eliminate services except weed control.				1,700		1,700	1,700
5	6882	Hln	LWCF Administration	Reduce LWCF inspections				2,000		2,000	3,700
5	6123	1	LONE PINE	Shorten season/hours				3,000		3,000	6,700
5	6423	4	SMITH RIVER (20% license \$'s -- reduce Coal Tax and Parks Earned Revenue only)	Reduce operations				3,657		3,657	10,357
5	6241	2	BEAVERTAIL HILL	Reduce operations.				250		250	10,607
5	6334	3	MADISON BUFFALO JUMP	Reduce operations				1,000		1,000	11,607
5	6533	5	PICTOGRAPH CAVE	Reduce park hours; close 2 days/week; limit to pack in/pack out. Reduce operations.				1,150		1,150	12,757
5	6246	2	BLACKFOOT RIVER CORRIDOR (60% license \$'s -- reduce Coal Tax only)	Reduce operations.				250		250	13,007
5	6542	5	LAKE ELMC	Reduce operations.				2,500		2,500	15,507
5	6324	3	HEADWATERS	Reduce operations.				2,535		2,535	18,042
6	6431	4	ULM PISHKUN	Reduce O&M to FY92 level				4,000		4,000	22,042
7	6141	1	FLATHEAD LAKE -- Yellow Bay	No camping, keep docks open, day use only.				5,795		5,795	27,837
7	6242	2	FRENCHTOWN POND	Reduce operations. Day use only May 1 through Labor Day; may close Mondays and Tuesdays.				500		500	28,337
7	6532	5	CHEF PLENTY COUPS	Reduce service levels; shorten museum hours. Reduce operations.				2,500		2,500	30,837
7	6245	2	SALMON LAKE	Reduce operations. Eliminate camping. Day use only. Keep boat ramp open.				1,000		1,000	31,837
7	6741	7	TONGUE RIVER RESERVOIR	Reduce operations. Close from 9/15 - 5/14				717		717	32,554
Total cuts due to reduced coal tax interest earnings								\$32,654		\$32,654	

PARKS DIVISION USE OF COAL TAX INTEREST EARNINGS--FY93



Total Coal Tax Earnings Appropriated \$1,064,700

PARKS DIVISION USE OF COAL TAX INTEREST EARNINGS
FY93

DATE 4-7-93
HB-1687

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R.C.#	Project	Field	Helena	Total
6101	Regional Parks oversight--Kallispell	\$14,362		\$14,362
6102	R1 Parks Shop	\$3,536		\$3,536
6121	Thompson Falls	\$14,658		\$14,658
6122	Wild Horse Island	\$18,357		\$18,357
6123	Lone Pine	\$44,130		\$44,130
6181	R1 Adopt-a-Park	\$2,959		\$2,959
6201	Regional Parks oversight--Missoula	\$18,896		\$18,896
6221	Lost Creek	\$9,464		\$9,464
6231	R2 Cultural Parks	\$6,250		\$6,250
6232	Fort Owen	\$8,011		\$8,011
6241	Beavertail Hill	\$14,863		\$14,863
6242	Frenchtown Pond	\$16,822		\$16,822
6243	Painted Rocks	\$8,233		\$8,233
6244	Placid Lake	\$20,977		\$20,977
6245	Salmon Lake	\$21,907		\$21,907
6246	Blackfoot River Corridor	\$12,044		\$12,044
6301	Regional Parks oversight--Bozeman	\$28,056		\$28,056
6323	L&C Caverns	\$80,952		\$80,952
6324	Missouri Headwaters	\$25,490		\$25,490
6331	R3 Misc Cultural Parks	\$629		\$629
6332	Banner Elk	\$92,701		\$92,701
6333	Mt. Parkin Rec & Cultural	\$6,699		\$6,699
6334	Madison Buffalo Jump	\$6,936		\$6,936
6381	East Gallatin	\$782		\$782
6401	Regional Parks oversight--Great Falls	\$25,251		\$25,251
6416	Missouri River Road	\$5,513		\$5,513
6421	Sluice Boxes	\$6,389		\$6,389
6422	Giant Springs	\$62,131		\$62,131
6423	Smith River	\$23,197		\$23,197
6431	Ulm Pliskun	\$13,883		\$13,883
6435	Chief Joseph Bearspaw Battleground	\$5,069		\$5,069
6501	Regional Parks oversight--Billings	\$13,675		\$13,675
6521	Greycliff PDT--Natural Bridge	\$6,995		\$6,995
6532	Chief Plenty Coups	\$48,691		\$48,691
6533	Pictograph Cave	\$24,935		\$24,935
6542	Lake Elmo	\$53,691		\$53,691
6701	Regional Parks oversight--Miles City	\$21,115		\$21,115
6721	R7 Natural Parks	\$8,025		\$8,025
6722	Makoshika	\$41,483		\$41,483
6731	R7 Cultural Parks	\$13,375		\$13,375
6801	Regional Parks oversight--Helena		\$16,482	\$16,482
6802	Statewide Capital Equipment Budget	\$23,303		\$23,303
6807	Operations Bureau		\$20,831	\$20,831
6816	Program Devel. Bureau		\$30,942	\$30,942
6831	Historic Preservation Statewide		\$8,222	\$8,222
6861	Greenways Statewide Admin.		\$9,643	\$9,643
6881	LWCF--1993 SCORP		\$23,592	\$23,592
6882	LWCF Administration		\$2,667	\$2,667
6884	SCORP - Federal Participation		\$10,000	\$10,000
6898	Parks Maintenance Statewide	\$30,000		\$30,000
6901	R8 Administration	\$6,462		\$6,462
6931	Elkhorn	\$200		\$200
6949	Spring Meadow Lake	\$31,226		\$31,226
Totals		\$942,322	\$122,379	\$1,064,700

DATE 4-7-93

SENATE COMMITTEE ON Taxation

BILLS BEING HEARD TODAY: AB 680, 687

Name	Representing	Bill No.	Check One	
			Support	Oppose
Arne Olsen	MDFWP	687	✓	
Mike Harrigan	MPC	687		✓
Ken Housholder	N.T. Insurance Rate Assn	687	✓	
John Baprow	Bannack Assoc	687	✓	
John Tael	Bannack	687	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

Senator Towe asked if there is a possibility, if the Legislature gives the utility company the authority to give grants, they are likely to give a grant to a city or a non-profit organization. Senator Doherty said he thinks the state is still covered, because whatever the utility company does, if they want a rate base, the PSC is going to look at that and determine whether it was a legitimate expenditure.

VOTE:

The motion to add "grants" to HB 680 CARRIED UNANIMOUSLY on oral vote. (hb068001.ajm)

MOTION/VOTE:

Senator Towe moved HB 680 BE CONCURRED IN AS AMENDED. The motion CARRIED UNANIMOUSLY on oral vote. (791244SC.Sma) Senator Doherty will carry the bill on the Senate floor.

EXECUTIVE ACTION ON HB 687

DISCUSSION:

Senator Gage presented an amendment to the title of HB 687. (hb068701.ajm) He explained this amendment will indicate that the distribution is of the tax, not of the interest.

MOTION/VOTE:

Senator Gage moved to adopt the amendment to HB 687. The motion CARRIED UNANIMOUSLY on oral vote. (hb068701.ajm)

MOTION/VOTE:

Senator Towe moved HB 687 BE CONCURRED IN AS AMENDED. The motion CARRIED UNANIMOUSLY on oral vote. (790954SC.San) Senator Towe will carry the bill on the Senate floor.

EXECUTIVE ACTION ON HB 688

MOTION:

Senator Eck moved HB 688 BE CONCURRED IN.

DISCUSSION:

Senator Towe said he opposes the motion. He thinks there are more impacts as a result of auger mining than there is on underground mining. He suggested a compromise that the auger mining might be at a different tax rate, in between the 15% and the 4%. He doesn't think they should be allowed the very low underground mining tax rate at this point in time, and he doesn't

ROLL CALL

SENATE COMMITTEE

TAXATION

DATE _____

4-8-93

[illegible]

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 8, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 687 (third reading copy -- blue), respectfully report that House Bill No. 687 be amended as follows and as so amended be concurred in.

Signed: 

Senator Mike Halligan, Chair

That such amendments read:

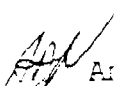
1. Title, line 5.

Following: "OF"

Insert: "THE"

Strike: "INTEREST"

-END-

 Amd. Coord.

Towe
Senator Carrying Bill

790954SC.San

Amendments to House Bill No. 687
Third Reading Copy

Requested by Senator Gage
For the Committee on Taxation

Prepared by Jeff Martin
April 7, 1993

1. Title, line 5.
Following: "OF"
Insert: "THE"
Strike: "INTEREST"